

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	CASE NO. 9918-DD
ADJUSTMENT FILINGS OF MT. OLIVET)	And
NATURAL GAS COMPANY, INC.)	CASE NO. 9918-EE

O R D E R

On August 10, 1987, the Commission issued its Order in Case No. 9918 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On May 9, 1989, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") notified the Commission that it received an increase in rates from its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective May 1, 1989, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission. Similarly, on May 22, 1989, Mt. Olivet notified the Commission that it has received a decrease in rates from Transmission effective May 1, 1989.

After reviewing the records in these cases and being otherwise sufficiently advised, the Commission is of the opinion and finds that:

(1) The rates proposed by Mt. Olivet to be effective May 1, 1989 produce a net decrease in the wholesale cost of gas to Mt. Olivet of \$349 or .89 cents per Mcf.

(2) Transmission filed revised rates with the Federal Energy Regulatory Commission to be effective May 1, 1989. These rates are subject to refund.

(3) Mt. Olivet's adjustment in rates, as filed on May 22, 1989, under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9918 dated August 10, 1987 is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after May 1, 1989, subject to refund.

(4) Mt. Olivet should report to the Commission the amount of excess revenues collected from May 1, 1989 to the date the approved rates are implemented, along with a refund plan.

IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order, attached and incorporated hereto, are fair, just, and reasonable and are approved effective with gas supplied on and after May 1, 1989, subject to refund.

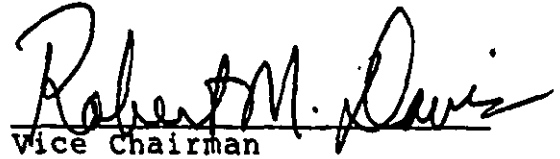
(2) Within 30 days of the date of this Order, Mt. Olivet shall file with this Commission its revised tariffs setting out the rates authorized herein.

(3) Within 30 days of the date of this Order, Mt. Olivet shall file with this Commission the amount of excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 12th day of June, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 9918-EE DATED June 12, 1989.

The following rates are prescribed for the customers served by Mt. Olivet Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Rates: Monthly

First	1,000 cu. ft. or less	\$6.49	(Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	4.7638	
Next	5,000 cu. ft. per 1,000 cu. ft.	4.5638	
Next	10,000 cu. ft. per 1,000 cu. ft.	4.4138	
Over	20,000 cu. ft. per 1,000 cu. ft.	4.2138	

The base rate for the future application of the purchased gas adjustment clause of Mt. Olivet Natural Gas Company, Inc. shall be:

Demand Commodity

Columbia Gas Transmission Corporation - \$3.3179 per Dth